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Incorporated October 22, 1956

October 17, 2005

DIV. OF HOUSING POLICY DEVELOPMENT HCD

Cathy Creswell, Deputy Director Policy Development Division Department of Housing and Community Development State of California P. O. Box 942054, MS 390-2 Sacramento, CA 94252-2054

Submittal of Annual Housing Element Review RE:

Dear Ms. Creswell,

The City of Saratoga is pleased to submit its Annual Review of its Housing Element to the Department of Housing and Community Development. Both the Planning Commission and the City Council have reviewed the progress made in implementing the Housing Element, which was found to be in substantial compliance by you and your staff.

The review has been completed, program-by-program. I have also prepared summary tables for you to compare the RHND numbers to what we have achieved since January 1, 1999. The review follows:

HOUSING ELEMENT PROGRAM IMPLEMENTATION

Program 1.1: Zoning Code Changes for Second Units. This ordinance was adopted by the City Council on March 5, 2003. The Second Unit Ordinance is consistent with the newly adopted State Law. However, it goes even further in that it offers incentives to deed restrict the second unit to ensure rental to below market rate families. The incentives are 10% additional site coverage, 10% additional Floor Area and allows the Community Development Director waive the garage requirement. This year, four second units were permitted and deed restricted to rent only to low income households.

Program 1.2: Amend Zoning Code to implement a Mixed-Use Overlay Zone. This ordinance was adopted by the City Council on April 21, 2004. The City has not yet issued any permits for new mixed-use projects. However, the City is trying to develop various incentives to encourage such development. A City Council committee is currently working on a program to reduce parking requirements in the downtown Village that would make it easier to add apartments over existing retail uses.

- Program 2.1: Density Bonuses and Affordable Requirements for Very Low- and Low Income Housing. The ordinance is currently being developed and is scheduled to go before the Planning Commission and City Council in early 2006.
- **Program 2.2: Saratoga Retirement Community.** Phase I of this project has been completed and is currently occupied. This was the phase that included 49-units for very low-income households. Phase II, which consists of 47-unit for moderate-income Households and 97-units of above moderate-income households, has also been completed.
- Program 2.3: Assist in Obtaining Subsidies for Affordable Housing Development. The City continues to make available its allocation of CDBG funds to subsidize housing costs. The City actively advertises the CDBG program to increase the number of units of senior and low income housing.
- **Program 2.4: First-Time Homebuyer Assistance.** The City has invited both public and/or non-profit organizations to propose eligible projects for the City's allocation of CDBG funds. Due to high cost of housing in Saratoga, it has been a challenge to incorporate such programs.
- Program 3.1: Saratoga Housing Assistance and Rehabilitation Program (SHARP). The City continues to fund SHARP. The principal beneficiaries of the program are seniors. We advertised the availability of CDBG funds for housing rehabilitation in the quarterly *Saratogan* Newsletter.
- **Program 4.1: Preserve Existing Affordable Rental Housing.** The City has continued to monitor the 177 existing affordable rental units that are found in three existing projects.
- Program 4.2: Amnesty Program for Existing Second Units. While the City cannot "count" these units towards the mandated 539-units, the program has been left in the Housing Element as it is important to ensure that all dwellings meet minimum "fire, life, safety" requirements of the Uniform Housing Code. The streamlined regulations for this program are found in the Second Dwelling Units ordinance, which was adopted by the City Council on March 5, 2003.
- **Program 5.1: Fair Housing Program.** The City disseminates information packets about Fair Housing Regulations, and refers discrimination complaints to the Mid-Peninsula Citizens for Fair Housing or to the County of Santa Clara Office of Consumer Affairs. This is an on-going program.
- **Program 5.2:** Sites for Emergency and Transitional Housing Facilities and Services. The City of Saratoga supports and has issued a Use Permit to the Saratoga Ministerial Association for a rotating emergency shelter program to be housed at various local Churches.
- Program 5.3: Evaluation of Accommodation of Persons with Disabilities. This was an issue that was addressed by the State Legislature and became law about the same time the City was gaining approval of its Housing Element. The Community Development Department has reviewed its ordinances and policies to ensure that the City does not in any fashion condone discrimination against persons with disabilities due

to any zoning code or building code or practice. The City has adopted by reference the 2001 edition of the California Building Code. Chapter 11 of that document addresses this very issue.

By the Numbers

New Housing Units Assigned by ABAG (RHND)

Income	RHND	#1	#2	#3	#4	#5	#6	#7	Total
Groups									
Very Low	75		49			15	11		75
Low	36				1	30	5		36
Moderate	108		61	47					108
Above	320	161		97	10		26	88	320
Moderate									
Total	539	161	110	144	11	45	42	88	539

New Housing Units Added (Building Permits Issued) 1/1/99 - 1/1/06*

Income	RHND	#1	#2	#3	#4	#5	#6	#7	Total
Groups									
Very Low	75		49			9	0		58
Low	36				1	0	0		1
Moderate	108		61	47					108
Above	320	161		97	10		4	178	450
Moderate									
Total	539	161	110	144	11	9	4	178	617

#1 - New Dwellings added from 1/1/99 to 5/1/01 #4 - Montalvo Art Studios plus Caretaker's Unit

#2 - Odd Fellows Phase 1

#5 - New 2nd Units

#3 - Odd Fellows Phase 2

#6 - Mixed Use Projects

#7 - New Market Rate Dwelling Units

*November and December numbers were estimated

The Housing Units assigned by ABAG covers a period between 1/1/99 and 1/1/07. During the period from 1/1/99 and 1/1/06 the City has accommodated the mandated regional fair share with the exception of 52 units of low and very low income housing that the City still needs to meet the RHND figures.

Sincerely,

John Livingstone, AICP

Community Development Director

XC: Mayor and City Council

Planning Commission

Dave Anderson, City Manager League of California Cities